

FIRST REGULAR SESSION

SENATE BILL NO. 188

93RD GENERAL ASSEMBLY

INTRODUCED BY SENATORS GRIESHEIMER AND GIBBONS.

Read 1st time January 18, 2005, and ordered printed.

TERRY L. SPIELER, Secretary.

1048S.01I

AN ACT

To amend chapter 137, RSMo, by adding thereto one new section relating to assessment of business personal property, with an emergency clause and an effective date.

Be it enacted by the General Assembly of the State of Missouri, as follows:

Section A. Chapter 137, RSMo, is amended by adding thereto one new section, to be known as section 137.078, to read as follows:

137.078. 1. "Business personal property" is defined as tangible personal property which is used in a trade or business or used for the production of income and which has a determinable life of longer than one year, but shall not include livestock, farm machinery, property subject to the motor vehicle registration provisions of chapter 301, RSMo, or property assessed by the state tax commission pursuant to chapters 151, 153, or 155, RSMo, or section 137.022 and sections 137.1000 to 137.1030.

2. Business personal property shall be a separate subclass of tangible personal property and be valued for the purposes of taxation at thirty-three and one-third percent of its true value in money.

3. The true value in money of business personal property shall be determined by the cost approach to value using methods and procedures established by rules promulgated by the state tax commission.

4. In compliance with article X, section 4(b), and under the authority of article X, section 3 of the Constitution of Missouri, the "value" of business personal property for tax purposes shall be the value determined by using the method established by the state tax commission, and there shall be a presumption that a value so determined is correct.

5. The method of valuation established by the state tax

commission shall be promulgated as rules pursuant to the provisions of chapter 536, RSMo, to be effective no later than December 31, 2005. Such rules shall not be promulgated as an emergency rule pursuant to section 536.025, RSMo. The state tax commission shall provide a copy of any rule promulgated under the authority of this section to the joint committee on tax policy concurrently with all filings with the joint committee on administrative rules. Upon receipt of a proposed rule to adopt, revise, or rescind the method of valuation of business personal property, the joint committee on tax policy shall review such rule and may elect to provide comments to the joint committee on administrative rules during its review of the rules pursuant to chapter 536, RSMo.

6. Any rule or portion of a rule, as that term is defined in section 536.010, RSMo, that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536, RSMo, and, if applicable, section 536.028, RSMo. This section and chapter 536, RSMo, are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536, RSMo, to review, to delay the effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after the effective date of this section, shall be invalid and void.

7. The method of valuation established by rule by the state tax commission shall be used by assessors beginning the tax year 2006.

Section B. Because of need to establish rules by the end of 2005, section A of this act is deemed necessary for the immediate preservation of the public health, welfare, peace and safety, and is hereby declared to be an emergency act within the meaning of the constitution, and section A of this act shall be in full force and effect upon its passage and approval.

Section C. This act shall become effective June 15, 2005.

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